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29 April 1959

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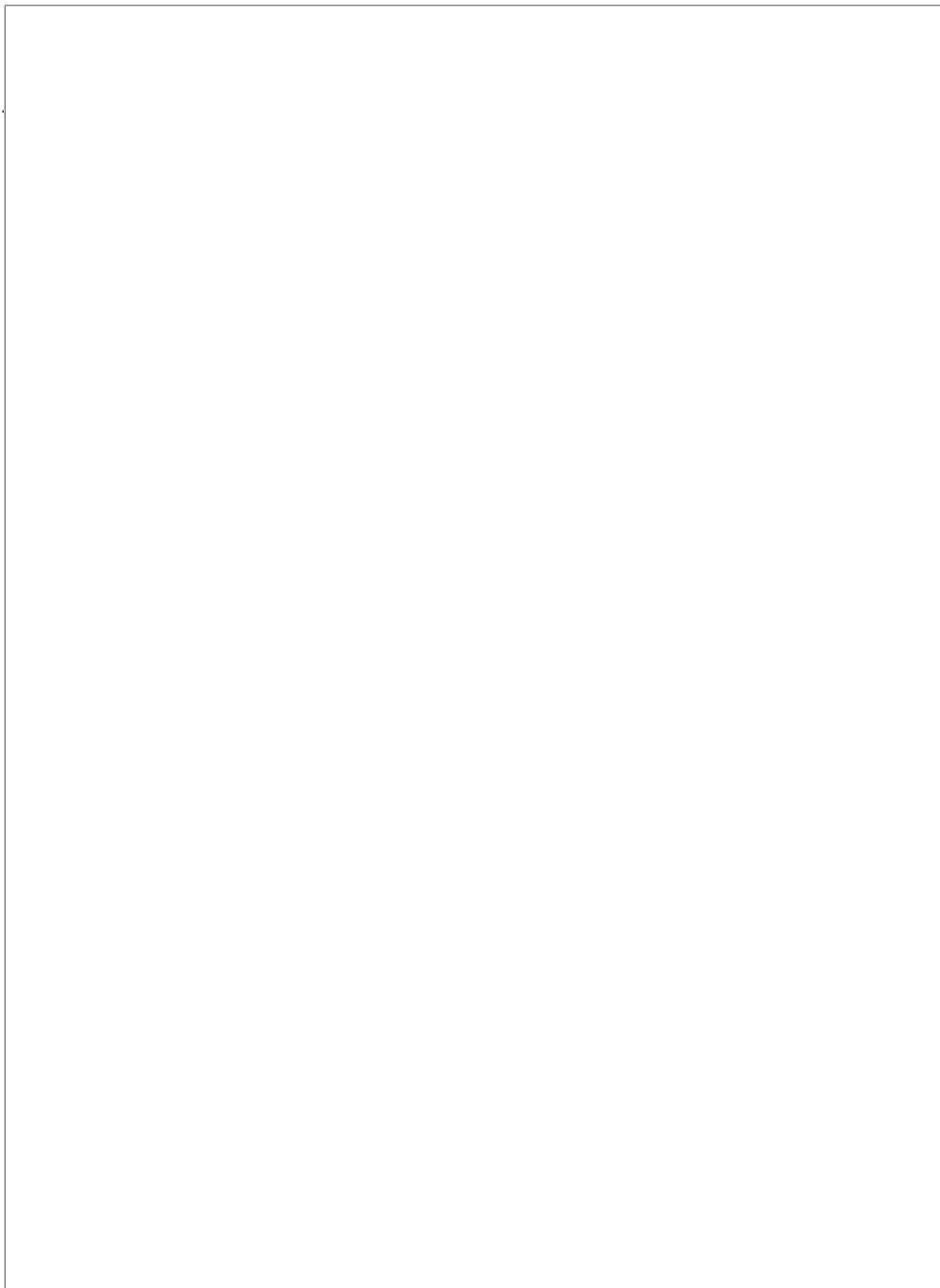
INTELLIGENCE

BULLETIN



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29 APRIL 1959

I. THE COMMUNIST BLOC

USSR notifies UAR that next phase of Aswan Dam aid is ready ahead of schedule.

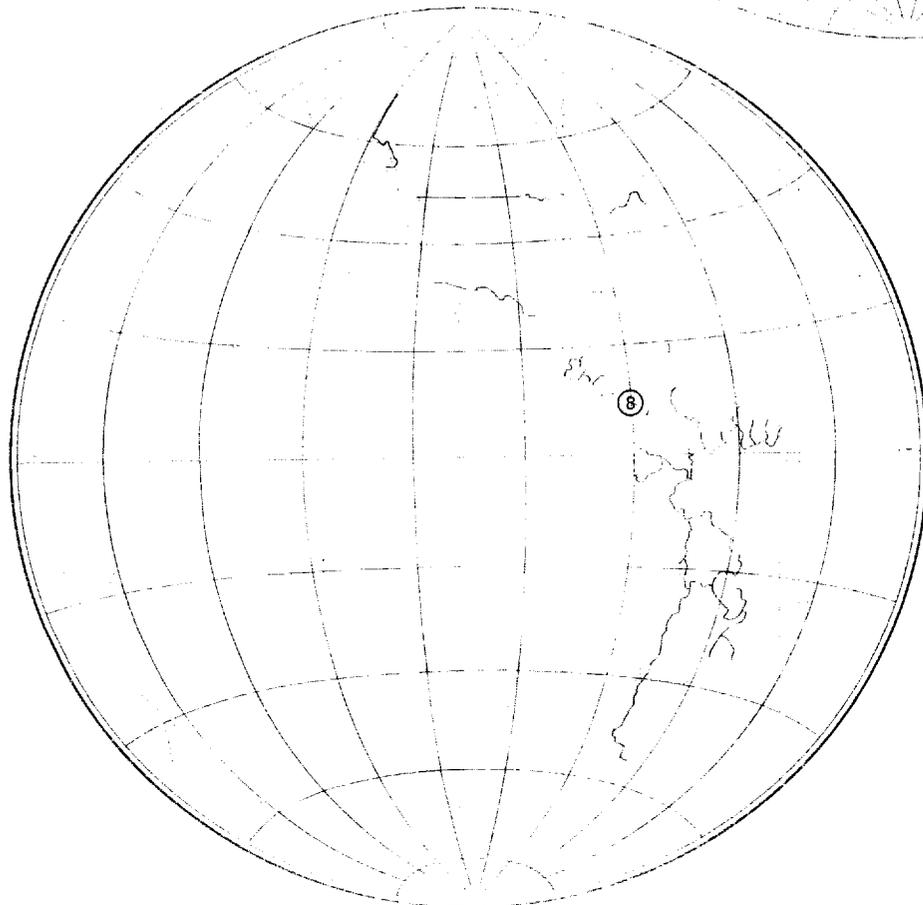
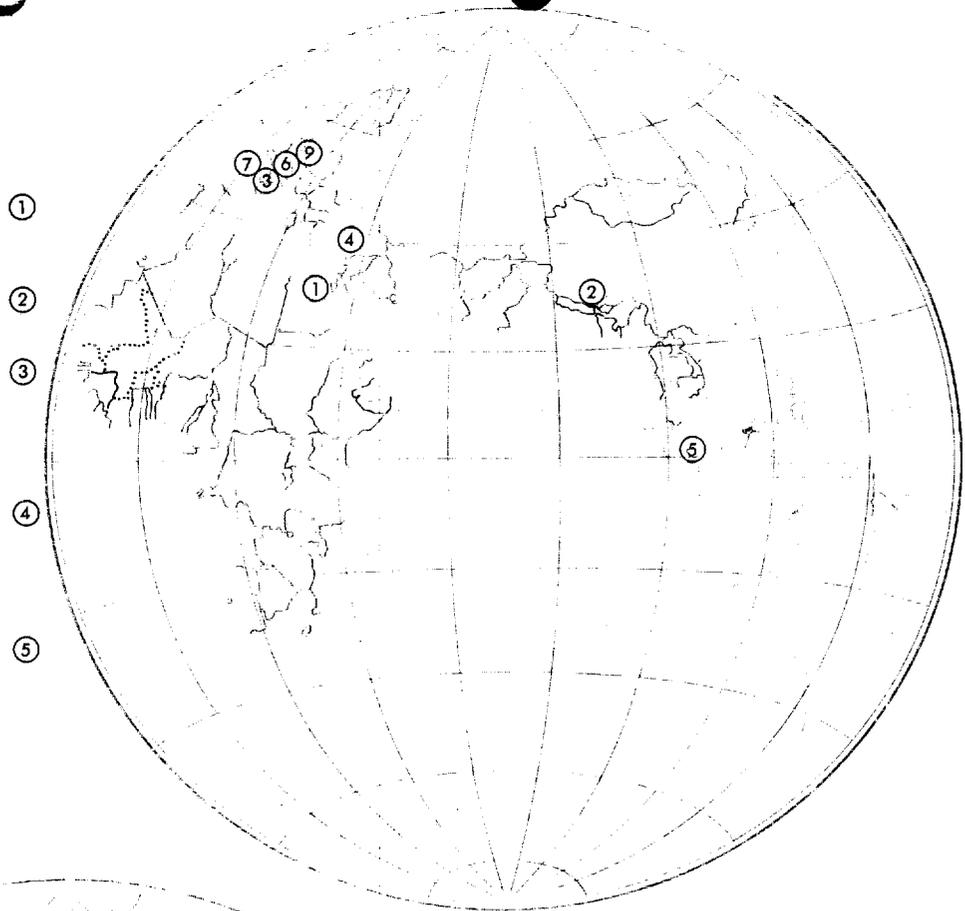
Chinese Communists have broken up rebel concentrations in Tibet and are blocking escape routes.

Soviet delegation takes less rigid position on nuclear test inspection issue.

II. ASIA-AFRICA

Turkey increasingly concerned over Communist threat in Iraq.

Singapore - Moderates' chances in 30 May general elections further dimmed by failure to unite against Communist-infiltrated People's Action party.



III. THE WEST

- ⑥ Adenauer still favors Etzel over Erhard as next West German chancellor, and may try to force showdown within Christian Democratic Union.
- ⑦ France hints at possible military intervention in Guinea.
- ⑧ Panama - Invaders have gained little local support; De la Guardia government strengthened by responses to his aid appeals.

IV.

- ⑨ Conclusions of the special USIB committee on the Berlin situation.

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CENTRAL INTELLIGENCE BULLETIN

29 April 1959

DAILY BRIEF

I. THE COMMUNIST BLOC

SIRAB

Soviet Union - UAR: Moscow has informed the UAR High Dam committee that survey work and detailed plans concerning the Aswan Dam have been completed almost three weeks ahead of schedule and that Soviet experts are now prepared to discuss construction details with UAR representatives. Moscow is evidently trying to reassure Cairo that Soviet economic aid is not tied to political relations between the two countries. [redacted] (Page 1)

No

Tibet: (Chinese Communist forces have by now probably broken up concentrations of rebels in southeastern Tibet, although the terrain permits continued activity by small groups. [redacted] the Chinese are trying to seal the main passes on the southern Tibet border and have blocked the escape route used by the Dalai Lama. Possibly 5,000 Tibetan refugees have so far entered India and Bhutan, but it will now be increasingly difficult to cross the border. Sino-Indian relations continue to deteriorate.) [redacted] (Page 2)

OK

*USSR--Nuclear test talks: The Soviet delegate to the Geneva talks stated on 28 April that if the number of inspections of suspected nuclear explosions to be permitted each year is agreed upon in advance, the USSR will drop its demand for a veto on the dispatch of inspection teams. In addition, the USSR will agree to permanent inspection groups in the USSR, and permit automatic inspection when control-system instruments indicate a suspicious event. However, the Soviet representative contended that the annual number of inspections to be allowed was a political decision and not related to any technical information or report. In his 23 April letter to President Eisenhower, Khrushchev said there would "naturally" be few such inspections. [redacted]

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II. ASIA-AFRICA

NO
Turkey-Iraq: (Ankara is increasingly concerned over the gravity of the Communist threat in Iraq and its implications for Turkish security. Prime Minister Menderes has requested immediate US-Turkish talks on the question. Meanwhile, Turkish officials have announced that 700 Kurdish tribesmen from Iraq have been granted asylum. These are the first refugees noted crossing this border.)

OK
Singapore: (Chief Minister Lim Yew Hock's efforts to unite moderate forces to oppose the Communist-infiltrated People's Action party in the 30 May general elections have thus far failed. The moderates have nominated a large number of competing candidates. In contrast, the People's Action party has filed a strong slate of candidates restricted to one for each assembly seat.) (Page 3)

III. THE WEST

OK
West Germany: (Adenauer still strongly opposes selection of Economics Minister Erhard as the next chancellor, feeling that it would be difficult to dominate Erhard from the presidency. Finance Minister Etzel is Adenauer's choice. If Adenauer tries to block his nomination, Erhard plans to force a showdown vote in the Christian Democratic Union party caucus, where he now is supported by about 200 out of 270 votes. A date for choosing the new chancellor has not been decided on by the CDU leadership.) (Page 4)

NO
France-Guinea: (France has implied it may react to Guinea's receipt of arms shipments from Czechoslovakia by undertaking military intervention in Guinea. De Gaulle's diplomatic adviser describes Guinea's neighbors which are members of the French community as most anxious regarding Guinea's intentions. De Gaulle has turned down the American-British suggestion that France promptly appoint an ambassador to Conakry as an expression of Western friendship.) (Page 5)

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DAILY BRIEF

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Panama: The armed invaders apparently have not gained the local support which they expected from opponents of President de la Guardia. Prompt reaction by the Organization of American States and the delivery of US military equipment to the National Guard have thus far deterred opponents of De la Guardia who might otherwise have moved against him.

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sources

[redacted]
*An invasion ship carrying 100 men, was reported to have left Cuba on 28 April for Panama or Nicaragua. Such force probably would be spotted by search planes being made available to the OAS investigating committee now in Panama.

[redacted] (Page 6)

IV. CONCLUSIONS OF SPECIAL USIB COMMITTEE ON BERLIN SITUATION

The USIB has taken note of the following conclusions reached by its special committee on the Berlin situation. The committee pointed out that its conclusions were to be used in context with SNIE 100-2-59 (24 February 1959) and with the review of that estimate in SNIE 100-2/1-59 (17 March 1959):

OK

1. There are as yet no clear indications of Soviet negotiating tactics at Geneva: (a) By such moves as the 21 April notes to the US and West Germany, the USSR is seeking to divide the Western allies and soften Western positions. The Soviets are also preparing the ground for blaming the West for any failure to reach agreement. (b) While there are no clear indications of what will emerge from the meeting of bloc foreign ministers at Warsaw, it appears to be intended primarily as a demonstration of bloc unity and a counter to the Paris meeting of the Western foreign ministers.

2. A West German poll shows that willingness to risk hostilities over the Berlin access question is far stronger in West Berlin than West Germany. There were no significant changes in the West Berlin economy and morale.

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3. (Prime Minister Macmillan's clear indication that he will not call general elections this spring will tend to increase the pressure on his government to seek a negotiated settlement of the Berlin crisis.)

4. While the USSR will not turn over access controls to East Germany in the near future, the physical transfer could be accomplished with little or no warning.

5. There are no reliable indications of a bloc intent in the near future to blockade Allied or West German access to West Berlin, or to seal off West Berlin from the bloc. However, the Soviets could take such actions with little or no warning.

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DAILY BRIEF

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I. THE COMMUNIST BLOC

Moscow Seeks to Dispel UAR Fears of Economic Reprisals

Moscow is attempting to show the UAR that the Soviet Union plans no economic reprisals for Nasir's anti-Communist campaign in the Middle East. On the heels of Khrushchev's conciliatory letter to Nasir, Radio Moscow announced in reply to UAR and Western press comments that "any talk of stoppage of Soviet aid to the UAR has no foundation." Since then Moscow has informed the UAR High Dam committee--almost three weeks ahead of schedule--that the study and detailed plans for the Aswan High Dam have been completed, and that Soviet experts are prepared to discuss details of construction with UAR representatives. Cairo, for its part, has announced that the UAR minister of public works will head a committee of experts who are scheduled to fly to Moscow next week for further discussion concerning the dam.

[REDACTED]

Now that final deliveries of a 200,000-ton wheat consignment are being made, shipments of machinery, fertilizer, paper, and other commercial goods are beginning to arrive at Egyptian ports. Additional deliveries are being scheduled, [REDACTED]

[REDACTED] Bloc petroleum shipments to the UAR also are continuing. Thus far in 1959 they have averaged 200,000 tons a month, well above last year's monthly average of 150,000 tons.

[REDACTED]

[REDACTED]

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Tibetan Situation

(All concentrations of Tibetan rebel forces have probably been broken by Chinese Communist troops driving into the Khamba-occupied area of southeastern Tibet, [redacted] [redacted] Despite Peiping's intense effort to crush the revolt, however, the rugged terrain and availability of local food sources will permit continuing activity by small rebel bands.

[redacted] [redacted] the Tibetan capital was "absolutely quiet," but [redacted] the Chinese were making every effort to seal Tibet's borders with Bhutan, Nepal, and India. They have blocked the escape route used by the Dalai Lama, he said. Possibly 5,000 refugees, however, have succeeded in reaching Bhutan or India within recent weeks, and small groups are expected, with increasing difficulty, to continue straggling across the border.)

Sino-Indian relations have deteriorated to their lowest level in years. The National People's Congress heard a parade of speakers charging Indian officials with "expansionist" denial of China's sovereignty over Tibet and with complicity in the Dalai Lama's statement denying abduction from Tibet. Press reports from New Delhi state that on 27 April the Chinese Communists had officially protested the defacing of Mao Tse-tung's picture by an Indian mob.

Prime Minister Nehru, angered by Chinese Communist attacks on India despite his efforts to calm the situation, has accused Peiping of using the "language of the cold war." He said Peiping's charges against India were "so fantastic I find it difficult to deal with them." He stated that he had made a formal protest to Peiping. Nehru apparently believes that his past efforts to avoid recriminations have been interpreted in Peiping as a sign of weakness and intends to make Communist China aware that such charges could have serious effects on Sino-Indian relations. [redacted]

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II. ASIA-AFRICA

[REDACTED]

Prospects for Left-Wing Victory in Singapore Elections
Enhanced

(Failure of the conservative political parties in Singapore to reach agreement on a unified slate for the 30 May general elections has greatly enhanced the prospects of the Communist-infiltrated People's Action party (PAP). Party officials now believe the PAP will win 30 to 40 of the 51 Legislative Assembly seats at stake. The party's strong list of candidates includes the popular former mayor, Ong Eng Guan, and 12 city councilors who resigned from office on 18 April. The PAP apparently has avoided serious competition from other left-wing parties.)

(The other Singapore parties have nominated numerous competing candidates despite Chief Minister Lim Yew Hock's plans to form an anti-PAP coalition to prevent fragmentation of the moderate vote. Lim's moderate Singapore People's Alliance nominated 39 candidates and the conservative Liberal Socialists 32. In addition, there are 34 independent candidates as well as nominees representing ten other parties. Even Lim may have trouble retaining a Legislative Assembly seat in his supposedly "safe" district. The PAP candidate in this contest may slip through with a plurality victory while Lim splits the non-PAP votes with his bitter enemy, former Chief Minister David Marshall, and with a Liberal Socialist candidate.)

(Chief Minister Lim may be able to force the withdrawal of some of the moderate candidates. It is doubtful, however, if any action taken by him at this late date, short of instigating disorders to force postponement of the elections, can reverse the trend toward a PAP victory.) [REDACTED]

[REDACTED]

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Adenauer Strongly Opposed to Erhard as West German Chancellor

(West German Chancellor Adenauer strongly opposes Economics Minister Erhard as his successor because he thinks Erhard will not be firm enough in foreign policy. [redacted])

[redacted] Adenauer feels that Erhard would be "soft or compromising" in situations calling for firmness and would be inclined to cooperate with the opposition Social Democratic party (SPD.)

(Finance Minister Etzel is Adenauer's choice. A CDU Bundestag deputy, who is a strong supporter of Adenauer, believes the chancellor is convinced that as president he can dominate Etzel but not Erhard. Krone believes that Adenauer might ultimately attempt to reject the presidency and remain as chancellor rather than accept Erhard as his successor.)

(If Adenauer attempts to block Erhard's nomination by acclamation, Erhard is prepared to force a showdown vote in the CDU Bundestag faction, where he is supported by 200 out of 270 deputies. He is reported to have been assured of the support of 55 Bavarian deputies and expects opposition only from among the 87 deputies from North Rhine - Westphalia, the Etzel-Adenauer stronghold.)

(The SPD leadership is seeking legal grounds to compel Adenauer to resign as chancellor as soon as he is elected president on 1 July, thus forcing the issue of appointing a new chancellor and aggravating the tension within the CDU. One argument is that Adenauer should resign since as chancellor he would initiate political decisions which he would later be called on to consider as president, thereby violating the nonpartisan character of the presidency.) [redacted]

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~~SECRET~~France May Plan Military Intervention in Guinea

(The French representative to the tripartite talks on Africa stated that France takes an "extremely serious view" of recent developments in Guinea and implied that France may undertake military action)

[redacted] members of the French Community which are neighbors of Guinea are "most anxious" regarding Conakry's intentions. Paris also charges that by accepting bloc overtures Guinea has failed to observe its January treaty arrangements with France)

(Following the arrival in Conakry last month of Czech military and other material, a Polish vessel unloaded further "gifts" from Eastern Europe on 16 April. Included in this consignment were 500 tons of obsolete arms, including three light tanks and four trucks, and 700 tons of nonmilitary items. A third shipment, reportedly consisting of 600 tons of "machines," is expected to reach Guinea soon.)

(Paris does not feel that sending economic aid or strengthening security forces in surrounding areas are appropriate measures for counteracting possible Communist penetration of Africa through Guinea. De Gaulle on 24 April "vetoed" the British-American recommendation that France promptly appoint an ambassador to Conakry as an expression of Western friendship. The British, however, are considering accrediting their ambassador resident in Monrovia simultaneously to Conakry. Soviet ambassador Gerasimov, with a staff of seven, arrived in Conakry by air on 16 April. A Czech chargé presented his credentials on 11 April and a Bulgarian ambassador has been in residence in Conakry since late January. In view of De Gaulle's insistence on the need for US-UK-French consultation and cooperation on world-wide defense planning, with Africa as a special sphere of French responsibility, he may make his handling of the Guinea problem the immediate test case of his own version of the meaning of Western solidarity.) [redacted]

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The Situation in Panama

The prompt reaction of other American countries to the recent invasion of Panama has probably strengthened the unstable De la Guardia government and discouraged support for the invaders from other antiadministration groups. The Cuban origin of the armed expedition and of most of its members, as well as the apparent lack of feasible postinvasion plans, has probably made De la Guardia's numerous opponents wary of any appearance of cooperation with the invaders.

The Council of the Organization of American States in response to Panamanian appeals for help, sent an investigating committee on 28 April and recommended that member states entertain favorably Panamanian requests for arms. Nicaragua and Guatemala have offered to send military aid, and the US delivered arms and other equipment on 27 April for the Panamanian National Guard to use against the revolutionaries. In addition, the Cuban Government has condemned participation by its citizens in the attack and promised stringent action against them, although some Cuban officials may have been aware of the expedition preparations.

(Some students and other anti-US extremists in Panama reportedly have plans, however, to incite disorders to commemorate the serious student-guard riots of May 1958. These may take the form of harassing outbreaks against the unpopular National Guard, a politically dominated urban police force which has been disconcerted by the scattered small revolts and landings of the past month.)

Guard commandant Vallarino, whose support of De la Guardia has been the president's main strength, has appeared doubtful of the guard's willingness and ability to fight the invasion force. He and other members of the ruling clique were extremely nervous, but the OAS actions should help to stabilize the internal situation also.

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